Press release
Lesquin, 20 July 2026 - 18:00

## ANNUAL RESULTS 2025-2026:

- IMPACT OF THE ONGOING RESTRUCTURING PLAN

## SALES FOR THE 1ST QUARTER 2026-2027

- UP 4.1% TO €32.6 million

**OUTLOOK AND KEY STRATEGIC AREAS OF DEVELOPMENT**

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As a preliminary reminder, by a decision dated March 2, 2026, the Lille Métropole Commercial Court (the "Court") decided to place the company Nacon (ISIN FR0013482791) (the "Company") under judicial reorganisation proceedings *("redressement judiciaire").* By judgment of July 1, 2026, the Court has decided to renew the Company's observation period.

In this context, the Company has carried out an in-depth strategic review of its activities in order to focus its investments on the lowest-risk projects and to build a solid and sustainable operating model.

At the same time, the Company has initiated a plan to streamline and significantly reduce its cost structure, accompanied by an adjustment of its workforce. This approach aims to establish a more agile and sustainably more efficient organisation.

As a reminder, the Lille Métropole Commercial Court ordered the judicial liquidation of three French entities. In addition, two video game development studios were placed under judicial reorganisation proceedings on March 30, 2026: Cyanide and Kylotonn.

Finally, the Company will shortly submit a recovery plan to the Lille Métropole Commercial Court providing for a restructuring of its debt.

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The Company today announces its consolidated annual results for the 2025-2026 fiscal year (period from April 1, 2025 to March 31, 2026), reviewed by the Board of Directors at its meeting on July 20, 2026. The audit procedures by the Statutory Auditors are ongoing; the certification report of the Statutory Auditors will be issued upon publication of the Universal Registration Document.

It should be noted that as part of the ongoing proceedings, a valuation of the company was carried out. On this basis, as of March 31, 2026, the Company had to record an impairment loss of all its fixed assets, including goodwill, for a total amount of €342.9 million. This impairment loss has a very significant impact on the results for the 2025-2026 fiscal year.

## 1. Annual results 2025-2026*

| Consolidated in €M IFRS | 2025-2026 | 2024-2025 |
|---|---|---|
| **Sales (IFRS)** | **160.8** | **167.9** |
| **Gross Margin**<br>***As % of sales*** | **103.7**<br>***64.5%*** | **108.1**<br>***64.4%*** |
| Operating income and expenses | (48.1) | (48.5) |
| Restructuring costs | (1.9) | - |
| Impairment of fixed assets related to the company value adjustment (including goodwill of €136.6 million) | (342.9) | - |
| Depreciation and amortisation of fixed assets | (60.6) | (58.5) |
| **Operating profit** | **(349.7)** | **1.1** |
| Financial result | (5.1) | (5.8) |
| **Profit before tax** | **(354.8)** | **(4.7)** |
| Income tax | (11.3) | 3.3 |
| **Net profit for the period** | **(366.1)** | **(1.3)** |

*Audit in progress

Income tax: it should be noted that, given the context, the tax loss carryforward has been written off, resulting in a tax charge of €11.3 million.

As of March 31, 2026, the company's net debt stood at €104.2 million.

Net cash, net of bank overdrafts, stands at €10.1 million.

31 games were in development as of March 31, 2026, including 27 in-house and 4 externally.

## 2. Fiscal year 2026-2027: 4.1% growth in activity in the 1st quarter to €32.6 million

**Sales from the Games activity** stood at €22.4 million for the quarter, up 13.8% compared to the previous fiscal year.

Catalogue activity (new games). After a strong increase in the fourth quarter of 2025-2026 (+33.2%), sales for the 1st quarter of 2026-2027 stood at €3.9 million. This level reflects a limited number of game releases over the period, with ***Cthulhu: The Cosmic Abyss™, Tour de France 26™ et Pro Cycling Manager™ 26***. It should be noted that the performance of *Tour de France™* is improving year-on-year.

The Back Catalogue (games released in previous fiscal years) recorded a solid performance, with sales of €18.5 million, up 32% over the quarter. It benefits from the high volume of releases in the previous fiscal year.

**Sales for the Accessories activity** recorded, as in the previous quarter, a less pronounced decline compared to last year due to a more favorable US market. Sales thus stood at €9.2 million, down 15.4%.

## 3. Outlook and strategic development axes for fiscal year 2026-2027

For the Games activity, the coming months will benefit from the release of several major games covering the majority of genre specialties, including:

- Racing: ***MXGP™ 26, Endurance Motorsport™***
- Action/Adventure: ***Edge of Memories™***
- Simulation: ***Hunting Simulator 3***

Furthermore, the game ***The Mound™***, released on July 15, is off to an excellent start.

Backed by a volume of releases sustained over the 2025-2026 fiscal year, Back Catalogue sales is expected to grow over the fiscal year.

In a more favorable US market environment, the Accessories activity could sustainably return to the path of growth, driven by the new ***RIG*** headsets and the range of console steering wheels.

As part of its redeployment strategy, the Company aims primarily to build a more agile, efficient, and higher-performing organisation. The transformation plan, which will be presented shortly, is based primarily on four priority areas:

- A more selective allocation of investments towards games offering more predictable profitability and/or recurring sales;
- Increased agility for studios with streamlined teams;
- Centralized and strengthened governance supported by the pooling of expertise and support functions;
- Securing revenue by prioritizing strong licenses and IPs.

The Company will keep the market informed as its situation evolves and regarding the progress of the proceedings.

**Upcoming events:**

**Q2 2026-2027 revenue: October 26, 2026, after market close**

## ANNEXES

### Balance Sheet

| Consolidated in €M (IFRS) | **31 March 2026** | **31 March 2025** |
|---|---|---|
| Non-current assets | 58.7 | 370.5 |
| Inventories and work in progress | 22.5 | 27.1 |
| Trade receivables | 34.1 | 38.7 |
| Other current assets | 27.8 | 16.5 |
| Cash and cash equivalents | 20.7 | 26.2 |
| **Total Assets** | **163.8** | **479.0** |
| Equity and equivalents | -81.3 | 263.6 |
| Non-current financial liabilities | 6.4 | 95.4 |
| Current financial liabilities | 128.5 | 47.4 |
| Other non-current liabilities | 5.8 | 1.9 |
| Other current liabilities | 104.4 | 70.7 |
| **Total Equity and Liabilities** | **163.8** | **479.0** |

Equity is impacted by the €342.9 million adjustment to enterprise value.

As part of the ongoing proceedings, all medium-term debt has been reclassified as short-term debt (less than one year)

### Statement of cash flows over the 2025/26 fiscal year

| | |
|---|---|
| Cash as of 31/03/25 | 24.2 |
| Cash flow from operating activities | 81.4 |
| Intangible CAPEX | -71.9 |
| Other CAPEX | -0.2 |
| Acquisitions | -0.2 |
| Capital increase | 0.4 |
| Borrowings | -17.2 |
| Taxes, interest and other | -6.3 |
| Cash as of 31/03/26 | 10.1 |